

AMENDED IN ASSEMBLY APRIL 13, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 667

Introduced by Assembly Member Jones

February 17, 2005

An act to amend ~~Section~~ Sections 17600 and 17602 of the Family Code, relating to child support.

LEGISLATIVE COUNSEL'S DIGEST

AB 667, as amended, Jones. Child support enforcement.

(1) Existing law establishes the Department of Child Support Services to administer laws and regulations pertaining to the administration of child support enforcement obligations. Existing law requires each county to maintain a local child support agency.

Existing law also establishes a state child support incentive funding program permitting a county that comes within specified standards of performance to receive state child support incentive funds. Each participating county is required to provide specified county child support information to the department. The department is required to develop regulations to ensure the uniform reporting of this information in consultation with specified entities, including the California Family Support Council.

This bill would revise these provisions, relating to the department's collection of information from counties participating in the state child support incentive program, to instead require the submission of information by local child support agencies. The bill would add specified performance measures and would eliminate an exemption for a county unable to comply with a reporting requirement. The bill would require the department to develop regulations in consultation with the California Child Support Directors Association, rather than

the California Family Support Council, and to post comparative data on its Web site, as specified. The bill would impose a state-mandated local program by increasing the duties of local child support agencies to provide information to the department. The bill would make conforming changes.

(2) Existing law requires the Department of Child Support Services to adopt the federal minimum standards as the baseline standard of performance for the local child support agencies and work in consultation with the local child support agencies to develop program performance targets on an annual federal fiscal year basis. In determining these performance measures, the department is required to consider and analyze information on uncollected child support arrearages, and use this analysis to establish program priorities. The Director of Child Support Services is required to adopt a 3-phase process to be used statewide when a local child support agency is out of compliance with the performance standards adopted by the department.

This bill instead would require the department to adopt and achieve statewide performance standards to accomplish the goals of continually improving program performance and maximizing federal incentive funding on an annual federal fiscal year basis state child support program to achieve specified performance targets for the performance measures described in (1) above, and would delete the requirement that the department consider and analyze information on uncollected child support arrearages. The bill would require the Director of Child Support Services to adopt a 2-phase process, rather than a 3-phase, to be used statewide when a local child support agency is out of compliance with a specified performance standard relating to the percentage of caseload with collections. If a local child support agency fails to achieve performance targets or to comply with other requirements, the department would be required to require the removal of the local administrator or to assess a performance incentive charge against the local child support agency, as specified.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state,

reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 17602 of the Family Code is amended~~
2 ~~to read:~~
3 *SECTION 1. Section 17600 of the Family Code is amended to*
4 *read:*
5 17600. (a) The Legislature finds and declares all of the
6 following:
7 (1) The Legislative Analyst has found that county child
8 support enforcement programs provide a net increase in revenues
9 to the state.
10 (2) The state has a fiscal interest in ensuring that county child
11 support enforcement programs perform efficiently.
12 (3) The state does not provide information to counties on child
13 support enforcement programs, based on common denominators
14 that would facilitate comparison of program performance.
15 (4) Providing this information would allow county officials to
16 monitor program performance and to make appropriate
17 modifications to improve program efficiency.
18 (5) This information is required for effective management of
19 the child support program.
20 (b) Except as provided in this subdivision, commencing with
21 the 1998–99 fiscal year, and for each fiscal year thereafter, each
22 ~~county that is participating in the state incentive program~~
23 ~~described in Section 17704~~ *local child support agency* shall
24 provide to the department, and the department shall compile from
25 this county child support information, monthly and annually, all
26 of the following performance-based data, as established by the
27 federal incentive funding system, provided that the department
28 may revise the data required by this paragraph in order to
29 conform to the final federal incentive system data definitions:
30 (1) One of the following data relating to paternity
31 establishment, as required by the department, provided that the
32 department shall require all counties to report on the same
33 measurement:

1 (A) The total number of children in the caseload governed by
2 Part D (commencing with Section 451) of Title IV of the federal
3 Social Security Act (42 U.S.C. Sec. 651 et seq.), as of the end of
4 the federal fiscal year, who were born to unmarried parents for
5 whom paternity was established or acknowledged, and the total
6 number of children in that caseload, as of the end of the
7 preceding federal fiscal year, who were born to unmarried
8 parents.

9 (B) The total number of minor children who were born in the
10 state to unmarried parents for whom paternity was established or
11 acknowledged during a federal fiscal year, and the total number
12 of children in the state born to unmarried parents during the
13 preceding calendar year.

14 (2) The number of cases governed by Part D (commencing
15 with Section 451) of Title IV of the federal Social Security Act
16 (42 U.S.C. Sec. 651 et seq.) during the federal fiscal year and the
17 total number of those cases with support orders.

18 (3) The total dollars collected during the federal fiscal year for
19 current support in cases governed by Part D (commencing with
20 Section 451) of Title IV of the federal Social Security Act (42
21 U.S.C. Sec. 651 et seq.) and the total number of dollars owing for
22 current support during that federal fiscal year in cases governed
23 by those provisions.

24 (4) The total number of cases for the federal fiscal year
25 governed by Part D (commencing with Section 451) of Title IV
26 of the federal Social Security Act (42 U.S.C. Sec. 651 et seq.) in
27 which payment was being made toward child support arrearages
28 and the total number of cases for that fiscal year governed by
29 these federal provisions that had child support arrearages.

30 (5) The total number of dollars collected and expended during
31 a federal fiscal year in cases governed by Part D (commencing
32 with Section 451) of Title IV of the federal Social Security Act
33 (42 U.S.C. Sec. 651 et seq.).

34 (6) The total amount of child support dollars collected during
35 a federal fiscal year, and, if and when required by federal law, the
36 amount of these collections broken down by collections
37 distributed on behalf of current recipients of federal Temporary
38 Assistance for Needy Families block grant funds or federal foster
39 care funds, on behalf of former recipients of federal Temporary
40 Assistance for Needy Families block grant funds or federal foster

care funds, or on behalf of persons who have never been recipients of these federal funds.

(c) In addition to the information required by subdivision (b), the department shall collect, on a monthly basis, from each ~~county that is participating in the state incentive program described in Section 17704~~ local child support agency, information on the local child support agency for each federal fiscal year, and shall report semiannually on all of the following performance measurements:

(1) The percentage of cases with collections of current support. This percentage shall be calculated by dividing the number of cases with an order for current support by the number of those cases with collections of current support. The number of cases with support collected shall include only the number of cases actually receiving a collection, not the number of payments received. Cases with a medical support order that do not have an order for current support may not be counted.

(2) The average amount collected per case for all cases with collections.

(3) The percentage of cases that had a support order established during the period. A support order shall be counted as established only when the appropriate court has issued an order for child support, including an order for temporary child support, or an order for medical support.

(4) *The percentage of support orders with medical support established and provided. This percentage shall be calculated by dividing the number of cases with medical support orders established and provided by the number of cases with support orders less cases with support orders for arrears only.*

(5) *The percentage of complaints requested resolved pursuant to Section 17800 within the timeframes specified in that section. This percentage shall be calculated by dividing the number of complaints resolved timely by the total number of complaints.*

(6) *The percentage of caseload with collections. This percentage shall be calculated by dividing the number of cases with a child support collection by the total number of cases less cases with only medical support orders and cases with zero support orders.*

(7) The total cost of administering the local child support agency, including the federal, state, and county share of the costs,

1 and the federal and state incentives received by each county. The
2 total cost of administering the program shall be broken down by
3 the following:

4 (A) The direct costs of the program, broken down further by
5 total employee salaries and benefits, a list of the number of
6 employees broken down into at least the following categories:
7 attorneys, administrators, caseworkers, investigators, and clerical
8 support; contractor costs; space charges; and payments to other
9 county agencies. Employee salaries and numbers need only be
10 reported in the annual report.

11 (B) The indirect costs, showing all overhead charges.

12 ~~(5)~~

13 (8) In addition, the local child support agency shall report
14 monthly on measurements developed by the department that
15 provide data on the following:

16 (A) Locating obligors.

17 (B) ~~Obtaining and enforcing medical support.~~

18 ~~(C) Providing customer service.~~

19 ~~(D)~~ Any other measurements that the director determines to be
20 an appropriate determination of a local child support agency's
21 performance.

22 ~~(6) A county may apply for an exemption from any or all of~~
23 ~~the reporting requirements of this subdivision for a fiscal year by~~
24 ~~submitting an application for the exemption to the department at~~
25 ~~least three months prior to the commencement of the fiscal year~~
26 ~~or quarter for which the exemption is sought. A county shall~~
27 ~~provide a separate justification for each data element under this~~
28 ~~subdivision for which the county is seeking an exemption and the~~
29 ~~cost to the county of providing the data. The department may not~~
30 ~~grant an exemption for more than one year. The department may~~
31 ~~grant a single exemption only if both of the following conditions~~
32 ~~are met:~~

33 ~~(A) The county cannot compile the data being sought through~~
34 ~~its existing automated system or systems.~~

35 ~~(B) The county cannot compile the data being sought through~~
36 ~~manual means or through an enhanced automated system or~~
37 ~~systems without significantly harming the child support~~
38 ~~collection efforts of the county.~~

39 (d) After implementation of the statewide automated system,
40 in addition to the information required by subdivision (b), the

1 Department of Child Support Services shall collect, on a monthly
2 basis, from each ~~county that is participating in the state incentive~~
3 ~~program described in Section 17704~~ *local child support agency*,
4 information on the ~~county child support enforcement program~~
5 *local child support agency* beginning with the 1998–99 fiscal
6 year ~~or a later fiscal year, as appropriate~~, and for each subsequent
7 fiscal year, and shall report semiannually on all of the following
8 measurements:

9 (1) For each of the following support collection categories, the
10 number of cases with support collected shall include only the
11 number of cases actually receiving a collection, not the number
12 of payments received.

13 (A) (i) The number of cases with collections for current
14 support.

15 (ii) The number of cases with arrears collections only.

16 (iii) The number of cases with both current support and arrears
17 collections.

18 (B) For cases with current support only due:

19 (i) The number of cases in which the full amount of current
20 support owed was collected.

21 (ii) The number of cases in which some amount of current
22 support, but less than the full amount of support owed, was
23 collected.

24 (iii) The number of cases in which no amount of support owed
25 was collected.

26 (C) For cases in which arrears only were owed:

27 (i) The number of cases in which all arrears owed were
28 collected.

29 (ii) The number of cases in which some amount of arrears, but
30 less than the full amount of arrears owed, were collected.

31 (iii) The number of cases in which no amount of arrears owed
32 were collected.

33 (D) For cases in which both current support and arrears are
34 owed:

35 (i) The number of cases in which the full amount of current
36 support and arrears owed were collected.

37 (ii) The number of cases in which some amount of current
38 support and arrears, but less than the full amount of support
39 owed, were collected.

1 (iii) The number of cases in which no amount of support owed
2 was collected.

3 (E) The total number of cases in which an amount was due for
4 current support only.

5 (F) The total number of cases in which an amount was due for
6 both current support and arrears.

7 (G) The total number of cases in which an amount was due for
8 arrears only.

9 (H) For cases with current support due, the number of cases
10 without orders for medical support and the number of cases with
11 an order for medical support.

12 (2) The number of alleged fathers or obligors who were served
13 with a summons and complaint to establish paternity or a support
14 order, and the number of alleged fathers or obligors for whom it
15 is required that paternity or a support order be established. In
16 order to be counted under this paragraph, the alleged father or
17 obligor shall be successfully served with process. An alleged
18 father shall be counted under this paragraph only once if he is
19 served with process simultaneously for both a paternity and a
20 support order proceeding for the same child or children. For
21 purposes of this paragraph, a support order shall include a
22 medical support order.

23 (3) The number of new asset seizures or successful initial
24 collections on a wage assignment for purposes of child support
25 collection. For purposes of this paragraph, a collection made on a
26 wage assignment shall be counted only once for each wage
27 assignment issued.

28 (4) The number of children requiring paternity establishment
29 and the number of children for whom paternity has been
30 established during the period. Paternity may only be established
31 once for each child. Any child for whom paternity is not at issue
32 shall not be counted in the number of children for whom
33 paternity has been established. For this purpose, paternity is not
34 at issue if the parents were married and neither parent challenges
35 paternity or a voluntary paternity declaration has been executed
36 by the parents prior to the local child support agency obtaining
37 the case and neither parent challenges paternity.

38 (5) The number of cases requiring that a support order be
39 established and the number of cases that had a support order
40 established during the period. A support order shall be counted as

1 established only when the appropriate court has issued an order
2 for child support, including an order for temporary child support,
3 or an order for medical support.

4 (6) The total cost of administering the local child support
5 agency, including the federal, state, and county share of the costs
6 and the federal and state incentives received by each county. The
7 total cost of administering the program shall be broken down by
8 the following:

9 (A) The direct costs of the program, broken down further by
10 total employee salaries and benefits, a list of the number of
11 employees broken down into at least the following categories:
12 attorneys, administrators, caseworkers, investigators, and clerical
13 support; contractor costs; space charges; and payments to other
14 county agencies. Employee salaries and numbers need only be
15 reported in the annual report.

16 (B) The indirect costs, showing all overhead charges.

17 (7) The total child support collections due, broken down by
18 current support, interest on arrears, and principal, and the total
19 child support collections that have been collected, broken down
20 by current support, interest on arrears, and principal.

21 (8) The actual case status for all cases in the county child
22 support enforcement program. Each case shall be reported in one
23 case status only. If a case falls within more than one status
24 category, it shall be counted in the first status category of the list
25 set forth below in which it qualifies. The following shall be the
26 case status choices:

27 (A) No support order, location of obligor parent required.

28 (B) No support order, alleged obligor parent located and
29 paternity required.

30 (C) No support order, location and paternity not at issue but
31 support order must be established.

32 (D) Support order established with current support obligation
33 and obligor is in compliance with support obligation.

34 (E) Support order established with current support obligation,
35 obligor is in arrears, and location of obligor is necessary.

36 (F) Support order established with current support obligation,
37 obligor is in arrears, and location of obligor's assets is necessary.

38 (G) Support order established with current support obligation,
39 obligor is in arrears, and no location of obligor or obligor's assets
40 is necessary.

1 (H) Support order established with current support obligation,
2 obligor is in arrears, the obligor is located, but the local child
3 support agency has established satisfactorily that the obligor has
4 no income or assets and no ability to earn.

5 (I) Support order established with current support obligation
6 and arrears, obligor is paying the current support and is paying
7 some or all of the interest on the arrears, but is paying no
8 principal.

9 (J) Support order established for arrears only and obligor is
10 current in repayment obligation.

11 (K) Support order established for arrears only, obligor is not
12 current in arrears repayment schedule, and location of obligor is
13 required.

14 (L) Support order established for arrears only, obligor is not
15 current in arrears repayment schedule, and location of obligor's
16 assets is required.

17 (M) Support order established for arrears only, obligor is not
18 current in arrears repayment schedule, and no location of obligor
19 or obligor's assets is required.

20 (N) Support order established for arrears only, obligor is not
21 current in arrears repayment, and the obligor is located, but the
22 local child support agency has established satisfactorily that the
23 obligor has no income or assets and no ability to earn.

24 (O) Support order established for arrears only and obligor is
25 repaying some or all of the interest, but no principal.

26 (P) Other, if necessary, to be defined in the regulations
27 promulgated under subdivision (e).

28 (e) Upon implementation of the statewide automated system,
29 or at the time that the department determines that compliance
30 with this subdivision is possible, whichever is earlier, each
31 ~~county that is participating in the state incentive program~~
32 ~~described in Section 17704~~ *local child support agency* shall
33 collect and report, and the department shall compile for each
34 ~~participating county~~ *local child support agency*, information on
35 ~~the county child support program~~ *local child support agency* in
36 each fiscal year, all of the following data, in a manner that
37 facilitates comparison of ~~counties~~ *local child support agencies*
38 and the entire state, except that the department may eliminate or
39 modify the requirement to report any data mandated to be
40 reported pursuant to this subdivision if the department

1 determines that the local child support agencies are unable to
2 accurately collect and report the information or that collecting
3 and reporting of the data by the local child support agencies will
4 be onerous:

5 (1) The number of alleged obligors or fathers who receive
6 CalWORKs benefits, food stamp benefits, and Medi-Cal
7 benefits.

8 (2) The number of obligors or alleged fathers who are in state
9 prison or county jail.

10 (3) The number of obligors or alleged fathers who do not have
11 a social security number.

12 (4) The number of obligors or alleged fathers whose address is
13 unknown.

14 (5) The number of obligors or alleged fathers whose complete
15 name, consisting of at least a first and last name, is not known by
16 the local child support agency.

17 (6) The number of obligors or alleged fathers who filed a tax
18 return with the Franchise Tax Board in the last year for which a
19 data match is available.

20 (7) The number of obligors or alleged fathers who have no
21 income reported to the Employment Development Department
22 during the third quarter of the fiscal year.

23 (8) The number of obligors or alleged fathers who have
24 income between one dollar (\$1) and five hundred dollars (\$500)
25 reported to the Employment Development Department during the
26 third quarter of the fiscal year.

27 (9) The number of obligors or alleged fathers who have
28 income between five hundred one dollars (\$501) and one
29 thousand five hundred dollars (\$1,500) reported to the
30 Employment Development Department during the third quarter
31 of the fiscal year.

32 (10) The number of obligors or alleged fathers who have
33 income between one thousand five hundred one dollars (\$1,501)
34 and two thousand five hundred dollars (\$2,500) reported to the
35 Employment Development Department during the third quarter
36 of the fiscal year.

37 (11) The number of obligors or alleged fathers who have
38 income between two thousand five hundred one dollars (\$2,501)
39 and three thousand five hundred dollars (\$3,500) reported to the

1 Employment Development Department during the third quarter
2 of the fiscal year.

3 (12) The number of obligors or alleged fathers who have
4 income between three thousand five hundred one dollars (\$3,501)
5 and four thousand five hundred dollars (\$4,500) reported to the
6 Employment Development Department during the third quarter
7 of the fiscal year.

8 (13) The number of obligors or alleged fathers who have
9 income between four thousand five hundred one dollars (\$4,501)
10 and five thousand five hundred dollars (\$5,500) reported to the
11 Employment Development Department during the third quarter
12 of the fiscal year.

13 (14) The number of obligors or alleged fathers who have
14 income between five thousand five hundred one dollars (\$5,501)
15 and six thousand five hundred dollars (\$6,500) reported to the
16 Employment Development Department during the third quarter
17 of the fiscal year.

18 (15) The number of obligors or alleged fathers who have
19 income between six thousand five hundred one dollars (\$6,501)
20 and seven thousand five hundred dollars (\$7,500) reported to the
21 Employment Development Department during the third quarter
22 of the fiscal year.

23 (16) The number of obligors or alleged fathers who have
24 income between seven thousand five hundred one dollars
25 (\$7,501) and nine thousand dollars (\$9,000) reported to the
26 Employment Development Department during the third quarter
27 of the fiscal year.

28 (17) The number of obligors or alleged fathers who have
29 income exceeding nine thousand dollars (\$9,000) reported to the
30 Employment Development Department during the third quarter
31 of the fiscal year.

32 (18) The number of obligors or alleged fathers who have two
33 or more employers reporting earned income to the Employment
34 Development Department during the third quarter of the fiscal
35 year.

36 (19) The number of obligors or alleged fathers who receive
37 unemployment benefits during the third quarter of the fiscal year.

38 (20) The number of obligors or alleged fathers who receive
39 state disability benefits during the third quarter of the fiscal year.

(21) The number of obligors or alleged fathers who receive workers' compensation benefits during the third quarter of the fiscal year.

(22) The number of obligors or alleged fathers who receive Social Security Disability Insurance benefits during the third quarter of the fiscal year.

(23) The number of obligors or alleged fathers who receive Supplemental Security Income/State Supplementary Program for the Aged, Blind and Disabled benefits during the third quarter of the fiscal year.

(f) The department, in consultation with the Legislative Analyst's Office, the Judicial Council, the California ~~Family Support Council~~ *Child Support Directors Association*, and child support advocates, shall develop regulations to ensure that all local child support agencies report the data required by this section uniformly and consistently throughout California.

(g) For each federal fiscal year, the department shall provide the information for all ~~participating counties~~ *local child support agencies* to each member of a county board of supervisors, county executive officer, local child support agency, and the appropriate policy committees and fiscal committees of the Legislature on or before June 30, of each fiscal year. The department shall provide data semiannually, based on the federal fiscal year, on or before December 31, of each year. The department shall present the information in a manner that facilitates comparison of ~~county local child support agency~~ *performance and demonstrates whether the state and each local child support agency achieved the performance targets for each performance measure, as set forth in Section 17602, and if performance targets were not achieved, by what percentage the targets were not achieved. The department shall post on its Web site all data required pursuant to this subdivision, including comparative national data, and shall require each local child support agency to post on its Web site all local child support agency data specific to the local child support agency, including state and national comparative data.*

(h) For purposes of this section, "case" means a noncustodial parent, whether mother, father, or putative father, who is, or eventually may be, obligated under law for support of a child or children. For purposes of this definition, a noncustodial parent

1 shall be counted once for each family that has a dependent child
2 he or she may be obligated to support.

3 (i) This section shall be operative only for as long as Section
4 17704 requires participating counties to report data to the
5 department.

6 *SEC. 2. Section 17602 of the Family Code is amended to*
7 *read:*

8 17602. (a) ~~The department shall adopt the federal minimum~~
9 ~~standards as the baseline standard of performance for the local~~
10 ~~child support agencies and work in consultation with the local~~
11 ~~child support agencies to develop program performance targets~~
12 ~~on an annual federal fiscal year basis. The performance measures~~
13 ~~shall include, at a minimum, the federal performance measures~~
14 ~~and the state performance measures, as described in subdivision~~
15 ~~(c) of Section 17600. The state child support program shall~~
16 ~~achieve the following performance targets for the performance~~
17 ~~measures set forth in paragraphs (1), (2), (3), (4), and (5) of~~
18 ~~subdivision (b) of Section 17600:~~

19 (1) *If the performance in a given performance measure in the*
20 *preceding federal fiscal year is equal to or above the national*
21 *average of that year for that measure, excluding California, the*
22 *performance target shall be the actual performance in the*
23 *preceding federal fiscal year plus 2 percent, until performance*
24 *reaches either of the following:*

25 (A) *Eighty percent for the performance measures set forth in*
26 *paragraphs (1), (2), (3), and (4) of subdivision (b) of Section*
27 *17600, in which case the performance target shall be 80 percent.*

28 (B) *Five dollars (\$5) for the performance measure set forth in*
29 *paragraph (5) of subdivision (b) of Section 17600, in which case*
30 *the performance target shall be five dollars (\$5).*

31 (2) *If the performance in a given performance measure in the*
32 *preceding federal fiscal year is less than the national average for*
33 *that measure, excluding California, the performance target shall*
34 *be the actual performance in the preceding year plus 5 percent.*

35 (b) *For the performance measure set forth in paragraph (4) of*
36 *subdivision (c) of Section 17600, the state child support program*
37 *shall achieve a performance target of the actual performance for*
38 *the prior federal fiscal year plus 5 percent until the state has*
39 *achieved a performance target of 50 percent, at which time the*
40 *performance target shall be the actual performance from the*

1 prior federal fiscal year plus 2 percent or 80 percent, whichever
2 is less.

3 (c) For the performance measure set forth in paragraph (5) of
4 subdivision (c) of Section 17600, the state child support program
5 shall achieve a performance target of the actual performance the
6 prior federal fiscal year plus 5 percent until the state has
7 achieved a performance target of 90 percent, at which time the
8 performance target shall be the actual performance from the
9 prior federal fiscal year plus 2 percent or 98 percent, whichever
10 is less.

11 (d) For the performance measure set forth in paragraph (6) of
12 subdivision (c) of Section 17600, the state child support program
13 shall achieve a performance target of the actual performance for
14 the prior federal fiscal year plus 5 percent until the state has
15 achieved a performance target of 60 percent, at which time the
16 performance target shall be the actual performance from the
17 prior federal fiscal year plus 2 percent or 80 percent, whichever
18 is less.

19 (e) In order to achieve the state performance targets set forth
20 in subdivisions (a), (b), (c), and (d), the department shall, in
21 consultation with the local child support agencies, develop
22 annual performance targets for each local child support agency
23 that will cumulatively total the state performance target. The
24 program performance targets shall represent ongoing
25 improvement in the performance measures for each local child
26 support agency, as well as the department's statewide
27 performance level.

28 ~~(b) In determining the performance measures in subdivision~~
29 ~~(a), the department shall consider the total amount of uncollected~~
30 ~~child support arrearages that are realistically collectible. The~~
31 ~~director shall analyze, in consultation with local child support~~
32 ~~agencies and child support advocates, the current amount of~~
33 ~~uncollected child support arrearages statewide and in each county~~
34 ~~to determine the amount of child support that may realistically be~~
35 ~~collected. The director shall consider, in conducting the analysis,~~
36 ~~factors that may influence collections, including demographic~~
37 ~~factors such as welfare caseload, levels of poverty and~~
38 ~~unemployment, rates of incarceration of obligors, and age of~~
39 ~~delinquencies. The director shall use this analysis to establish~~

1 ~~program priorities as provided in paragraph (7) of subdivision (b)~~
2 ~~of Section 17306.~~

3 ~~(e)~~

4 *(f)* The department shall use the performance-based data, and
5 the criteria for that data, as set forth in Section 17600 to
6 determine a local child support agency's performance measures
7 for the ~~quarter~~ *federal fiscal year*.

8 ~~(d)~~

9 *(g)* The director shall adopt a ~~three~~ *two* phase process to be
10 used statewide when a local child support agency is out of
11 compliance with the performance standards adopted pursuant to
12 subdivision ~~(a)~~ *(d)*, or the director determines that the local child
13 support agency is failing in a substantial manner to comply with
14 any provision of the state plan, the provisions of this code, the
15 requirements of federal law, the regulations of the department, or
16 the cooperative agreement. The director shall adopt policies as to
17 the implementation of each phase, including requirements for
18 measurement of progress and improvement which shall be met as
19 part of the performance improvement plan specified in
20 ~~paragraphs (1) and (2)~~ *paragraph (1)*, in order to avoid
21 implementation of the ~~next~~ *second* phase of compliance. ~~The~~
22 ~~director shall not implement any of these phases until July 1,~~
23 ~~2001, or until six months after a local child support agency has~~
24 ~~completed its transition from the office of the district attorney to~~
25 ~~the new county department of child support services, whichever~~
26 ~~is later.~~ The phases shall include the following:

27 *(1) Phase I: Development and implementation of a*
28 *performance improvement plan that is prepared jointly by the*
29 *local child support agency and the department, subject to the*
30 *department's final approval, and assessment of performance*
31 *penalty.* ~~The~~

32 *(A) Development of the plan shall include onsite investigation*
33 *and evaluation. In preparing and implementing the performance*
34 *improvement plan, the director may appoint program monitoring*
35 *teams to make site visits, conduct educational and training*
36 *sessions, and help the local child support agency in identifying*
37 *and correcting performance deficits.*

38 *(B) After the local child support agency has been in Phase I*
39 *for a year, and annually thereafter as long as the local child*
40 *support agency remains in Phase I, the department shall assess*

1 *whether the local child support agency is failing in a substantial*
2 *manner to achieve performance targets or is failing to comply*
3 *with the state plan, this code, federal law, the regulations of the*
4 *department, or the plan of cooperation. If the department*
5 *determines that the local child support agency is failing to*
6 *achieve performance targets or failing to comply with any of the*
7 *requirements specified in this section, then, notwithstanding*
8 *subdivision (f) of Section 17304 or Section 25300 of the*
9 *Government Code, the department shall do either of the*
10 *following:*

11 *(i) Require the removal of the local administrator and require*
12 *the board of supervisors, or in the case of a city and county, the*
13 *mayor, in consultation with the department, to select a*
14 *replacement administrator.*

15 *(ii) Assess a performance incentive charge against the local*
16 *child support agency that is equivalent to the federal incentive*
17 *funding lost as a result of the local child support agency's failure*
18 *to meet its performance targets and the matching federal funding*
19 *lost as a result of the lost federal incentive funding, which shall*
20 *be withheld by the department from the local child support*
21 *agency's annual local allocation.*

22 *(C) Any performance incentive charge assessed pursuant to*
23 *clause (ii) of subparagraph (B) shall be held in abeyance*
24 *provided that an amount equal to the performance incentive*
25 *charge is reinvested in the local child support program in the*
26 *areas where the local child support agency failed to achieve*
27 *performance targets or program compliance and the local child*
28 *support agency is making sufficient progress in achieving its*
29 *performance targets. If the department determines that the local*
30 *child support agency has failed to reinvest the performance*
31 *incentive charge, the performance incentive charge shall be paid*
32 *by withholding the amount of the performance incentive charge*
33 *from the next scheduled payment to the local child support*
34 *agency. If, after one year of reinvestment, the department*
35 *determines that the local child support agency has failed to make*
36 *sufficient progress in achieving its performance targets, the*
37 *performance incentive charge for the prior year shall be waived,*
38 *but the performance incentive charge for all subsequent years*
39 *shall be withheld from payments to the local child support*
40 *agency until the local child support agency achieves its*

1 *performance targets. Any performance incentive charge*
2 *payments withheld from a local child support agency shall be*
3 *allocated as part of the local allocation to other local child*
4 *support agencies in a way that maximizes state performance on*
5 *measures pursuant to this section, as determined by the*
6 *department.*

7 (D) *The plan shall last, at the discretion of the department, for*
8 *at least two years, but no more than four years, and shall provide*
9 *performance expectations and goals for achieving compliance*
10 *with the performance targets, the state plan, and other state and*
11 *federal laws and regulations that must be reviewed and assessed*
12 *within specific timeframes in order to avoid execution of Phase*
13 *II.*

14 ~~(2) Phase II: Onsite investigation, evaluation and oversight of~~
15 ~~the local child support agency by the department. The director~~
16 ~~shall appoint program monitoring teams to make site visits,~~
17 ~~conduct educational and training sessions, and help the local~~
18 ~~child support agency identify and attack problem areas. The~~
19 ~~program monitoring teams shall evaluate all aspects of the~~
20 ~~functions and performance of the local child support agency,~~
21 ~~including compliance with state and federal laws and regulations.~~
22 ~~Based on these investigations and evaluations, the program~~
23 ~~monitoring team shall develop a final performance improvement~~
24 ~~plan and shall oversee implementation of all recommendations~~
25 ~~made in the plan. The local child support agency shall adhere to~~
26 ~~all recommendations made by the program monitoring team. The~~
27 ~~plan shall provide performance expectations and compliance~~
28 ~~goals that must be reviewed and assessed within specific~~
29 ~~timeframes in order to avoid execution of Phase III.~~

30 ~~(3) Phase III: The director shall assume, either directly or~~
31 ~~through agreement with another entity, responsibility for the~~
32 ~~management of the child and spousal support enforcement~~
33 ~~program in the county until the local child support agency~~
34 ~~provides reasonable assurances to the director of its intention and~~
35 ~~ability to comply. During the period of state management~~
36 ~~responsibility, the director or his or her authorized representative~~
37 ~~shall have all of the powers and responsibilities of the local child~~
38 ~~support agency concerning the administration of the program.~~
39 ~~The local child support agency shall be responsible for providing~~
40 ~~any funds as may be necessary for the continued operation of the~~

1 program. If the local child support agency fails or refuses to
2 provide these funds, including a sufficient amount to reimburse
3 any and all costs incurred by the department in managing the
4 program, the Controller may deduct an amount certified by the
5 director as necessary for the continued operation of the program
6 by the department from any state or federal funds payable to the
7 county for any purpose.

8 (e)

9 (h) *The department shall modify the performance improvement*
10 *plan to comply with subdivision (g) for any local child support*
11 *agency that has been notified before January 1, 2006, that it must*
12 *submit a performance improvement plan.*

13 (i) The director shall report in writing to the Legislature
14 semiannually, beginning July 1, 2001, on the status of the state
15 child support enforcement program. The director shall submit
16 data semiannually to the Legislature, the Governor, and the
17 public, on the progress of all local child support agencies in each
18 performance measure, including identification of the local child
19 support agencies that ~~are out of compliance, the performance~~
20 ~~measures that they have failed to satisfy~~ *failed to achieve their*
21 *performance targets, the percent by which they failed to achieve*
22 *those measures, and the performance improvement plan that is*
23 *being taken for each.*

24 SEC. 3. *If the Commission on State Mandates determines that*
25 *this act contains costs mandated by the state, reimbursement to*
26 *local agencies and school districts for those costs shall be made*
27 *pursuant to Part 7 (commencing with Section 17500) of Division*
28 *4 of Title 2 of the Government Code.*

29 17602. ~~(a) The department shall adopt and achieve statewide~~
30 ~~performance standards to accomplish the goals of continually~~
31 ~~improving program performance and maximizing federal~~
32 ~~incentive funding on an annual federal fiscal year basis. The~~
33 ~~performance measures shall include, at a minimum, the federal~~
34 ~~performance measures and the state performance measures, as~~
35 ~~described in subdivision (c) of Section 17600. The program~~
36 ~~performance targets shall represent ongoing improvement in the~~
37 ~~performance measures for each local child support agency, as~~
38 ~~well as the department's statewide performance level.~~

39 (b) ~~In determining the performance measures in subdivision~~
40 ~~(a), the department shall consider the total amount of uncollected~~

~~child support arrearages that are realistically collectible. The director shall analyze, in consultation with local child support agencies and child support advocates, the current amount of uncollected child support arrearages statewide and in each county to determine the amount of child support that may realistically be collected. The director shall consider, in conducting the analysis, factors that may influence collections, including demographic factors such as welfare caseload, levels of poverty and unemployment, rates of incarceration of obligors, and age of delinquencies. The director shall use this analysis to establish program priorities as provided in paragraph (7) of subdivision (b) of Section 17306.~~

~~(e) The department shall use the performance-based data, and the criteria for that data, as set forth in Section 17600 to determine a local child support agency's performance measures for the quarter.~~

~~(d) The director shall adopt a three phase process to be used statewide when a local child support agency is out of compliance with the performance standards adopted pursuant to subdivision (a), or the director determines that the local child support agency is failing in a substantial manner to comply with any provision of the state plan, the provisions of this code, the requirements of federal law, the regulations of the department, or the cooperative agreement. The director shall adopt policies as to the implementation of each phase, including requirements for measurement of progress and improvement which shall be met as part of the performance improvement plan specified in paragraphs (1) and (2), in order to avoid implementation of the next phase of compliance. The director shall not implement any of these phases until July 1, 2001, or until six months after a local child support agency has completed its transition from the office of the district attorney to the new county department of child support services, whichever is later. The phases shall include the following:~~

~~(1) Phase I: Development of a performance improvement plan that is prepared jointly by the local child support agency and the department, subject to the department's final approval. The plan shall provide performance expectations and goals for achieving compliance with the state plan and other state and federal laws~~

1 and regulations that must be reviewed and assessed within
2 specific timeframes in order to avoid execution of Phase II.

3 (2) Phase II: Onsite investigation, evaluation and oversight of
4 the local child support agency by the department. The director
5 shall appoint program monitoring teams to make site visits,
6 conduct educational and training sessions, and help the local
7 child support agency identify and attack problem areas. The
8 program monitoring teams shall evaluate all aspects of the
9 functions and performance of the local child support agency,
10 including compliance with state and federal laws and regulations.
11 Based on these investigations and evaluations, the program
12 monitoring team shall develop a final performance improvement
13 plan and shall oversee implementation of all recommendations
14 made in the plan. The local child support agency shall adhere to
15 all recommendations made by the program monitoring team. The
16 plan shall provide performance expectations and compliance
17 goals that must be reviewed and assessed within specific
18 timeframes in order to avoid execution of Phase III.

19 (3) Phase III: The director shall assume, either directly or
20 through agreement with another entity, responsibility for the
21 management of the child and spousal support enforcement
22 program in the county until the local child support agency
23 provides reasonable assurances to the director of its intention and
24 ability to comply. During the period of state management
25 responsibility, the director or his or her authorized representative
26 shall have all of the powers and responsibilities of the local child
27 support agency concerning the administration of the program.
28 The local child support agency shall be responsible for providing
29 any funds as may be necessary for the continued operation of the
30 program. If the local child support agency fails or refuses to
31 provide these funds, including a sufficient amount to reimburse
32 any and all costs incurred by the department in managing the
33 program, the Controller may deduct an amount certified by the
34 director as necessary for the continued operation of the program
35 by the department from any state or federal funds payable to the
36 county for any purpose.

37 (e) The director shall report in writing to the Legislature
38 semiannually, beginning July 1, 2001, on the status of the state
39 child support enforcement program. The director shall submit
40 data semiannually to the Legislature, the Governor, and the

- 1 ~~public, on the progress of all local child support agencies in each~~
- 2 ~~performance measure, including identification of the local child~~
- 3 ~~support agencies that are out of compliance, the performance~~
- 4 ~~measures that they have failed to satisfy, and the performance~~
- 5 ~~improvement plan that is being taken for each.~~

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